Course Syllabus  Current Issues of the European Union in a Global World

**Language of Instruction:** English  
**Professor:** María Gundín & Natàlia Pascual Argenté  
**Professor’s Contact and Office Hours:** TBA  
**Course Contact Hours:** 45 hours  
**Recommended Credit:** 6 ECTS credits  
**Weeks:** 5  
**Course Prerequisites:** basic knowledge in economics is needed  
**Language Requirements:** English

**Time modules:** Monday to Thursday: 5:30 pm to 7:45 pm.

**Course Description:**  
The course aims at providing an economic analysis of the European Union countries, with a special focus on the Eurozone. It studies how and to what extent the European Union countries have independent economic policies to handle the present economic crisis and to foster economic growth. The course also covers basic historical and critical tools for understanding the construction and integration processes of the European Union after World War II. Moving to the present, students will reflect on different aspects of the European Welfare policies. Special reference will be made to the implications of a Single currency on the economies of the EMU countries. The role of the European Central Bank when facing the danger of deflation will also be studied, along with the asymmetries and economic disparities across the Economic and Monetary Union. Students will also gain a clearer understanding of the general macroeconomic policies applied across the EU.

**Keywords:** EU, Eurozone, globalization, economic growth, European integration process.

**Learning Objectives:**  
With regard to Knowledge, by the end of the course students are able to outline the historical process of the European integration and the reasons behind those ones; to indicate the present debates around economic policy surrounding the EU. Also, the student will be capable of analysing the economic situation of the European area and reasons behind inequalities and asymmetries in economic indicators across the Eurozone.

With regard to Skills, by the end of the course students are able to: demonstrate presentation abilities, justify diverse economic arguments in class discussions, assess the methodological virtues/deficiencies of the academic works handled and presented along the term and to develop research techniques. They will be familiar with database from Eurostat, ECB or OECD.

**Course Workload**  
During all the sessions there will be a lecture, student presentations and student discussions on the readings assigned for that specific session. Readings should be deeply read prior to class. Students should be prepared to read around 50 pages per week.
Methods of Instruction:
The course includes lectures, student presentations and student discussion. Two-hours class sessions (plus 15 minutes break in between) are normally divided into one-hour lecture and a second hour focused on student presentations and student discussions on readings, which they have read in advance. Each topic proposed (11) will be covered during two sessions. Starting on week 2, at the beginning of each session, students must answer, and hand in, some questions on the required readings of the day. See E below

Method of Assessment
The final grade will be determined on:

A/ One Essay and its presentation (15%). Groups of two people.
B/ Two Presentation Topics (5% + 5%). Individual
C/ Mid term exam (30%). Individual
D/ Final exam (30%). Individual
E/ Questions on readings (before the lecture): 10%
F/ Class participation (5%)

A/ In the case of Essay (15%), you must work in groups of two people
- write a paper (between 8 and 10 pages, 1.5 space, size char. 12) and hand it in the day of the presentation.
- present it to all of us using ppt or similar (upload it the same day of the presentation).

B/ The Presentation topic is an individual work (10% each), you do not need to write a paper but you are expected to prepare a good presentation (It must uploaded prior to the corresponding session) in order to clearly explain the topic proposed (10 minutes presentation aprox, never more than 15mi).

C/ and D/ Exams (30% each): The midterm and final exams will consist of short questions on the topics covered along the course. The midterm exam will cover the first half of the syllabus. The final exam will cover the rest of the syllabus.

- During the exams you can take your notes and readings with you, computers are not allowed.

E/ Questions on readings, before the lecture, (10%): Starting on week 2, at the beginning of each session, students must answer, and hand in, some questions on the required readings of the day.

F/ Class participation (5%): During the Sessions I will be proposing some short questions and open discussions and, working in groups, you are invited to answer those.

Absence Policy
Attending class is mandatory and will be monitored daily by professors. The impact of absences on the final grade is as follows:

<table>
<thead>
<tr>
<th>Absences</th>
<th>Penalization</th>
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<tr>
<td>Up to two (2) absences</td>
<td>No penalization</td>
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<tr>
<td>Three (3) absences</td>
<td>1 point subtracted from final grade (on a 10 point scale)</td>
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<tr>
<td>Four (4) absences</td>
<td>2 points subtracted from final grade (on a 10 point scale)</td>
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<tr>
<td>Five (5) absences or more</td>
<td>The student receives an INCOMPLETE for the course</td>
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The BISS attendance policy does not distinguish between justified or unjustified absences. The student is deemed responsible to manage his/her absences.
Emergency situations (hospitalization, family emergency, etc.) will be analyzed on a case by case basis by the Academic Director of the UPF Summer School.

Classroom Norms:

- No food or drink is permitted.
- There will be a fifteen-minute break during the class: Class 17.15 to 18.15 and from 18.30 to 19.30
- Students must come to class fully prepared.
- Computers are not allowed during sessions.

Course Contents:

1. Description of the course and reading/discussing exercise: content, methods of work, guidelines for writing an essay, organizing groups of work...

Working on readings on basic macroeconomics of the European Union (to be determined)

FIRST PART. Prof. Natalia Pascual

2 and 3. Welfare state after economic crisis in an “older” EU. From Austerity to Permanent Strain?

Compulsory readings:
- Pavolini E et al. From Austerity to Permanent Strain? The European Union and Welfare State Reform in Italy and Spain. In C. de la Porte, E. Heins (eds.), The Sovereign Debt Crisis, the EU and Welfare State Reform, DOI 10.1057/978-1-137-58179-2_6


Compulsory Readings:
- From welfare to workfare, The Economist, July 2006.


Presentation Topic 6: Welfare and workfare: the path followed by the western EU (See Handler, 2009; pp.11-17).
5. **Healthcare systems compared – prioritization policies.**

*Compulsory readings:*


*Presentation Topic 8: Healthcare priority setting in the OECD: policy instruments (See Auraaen et al 2016; pp.8-14).*


6. **Pharma policy – Why do we regulate prices for drugs?**

*Compulsory readings:*
- Danzon, P. (2014) Pricing and Reimbursement of Biopharmaceuticals and Medical Devices in the USA.

*Presentation Topic 10: Drug pricing in the US: dispensing context matters.* (See Danzon 2014, pp.3-6).

*Presentation Topic 11: Drug pricing in the US: before and after patent expiry.* (See Danzon 2014, pp.1-2 and 7-8).


7. **Education and skills for the XXIst century**

*Compulsory readings:*


*Presentation Topic 14: How to prevent your job from being “computerized”?* (See Frey and Osborne, 2013, pp. 36-44).

8. **Education and skills for the XXIst century (second part)**
   - Mid term on previous topics. Essay presentations
SECOND PART (Dr. María Gundín)

9. An overview of Europe’s evolution of openness: 50s to late 70s. From the Treaty of Rome to Economic and Monetary Union

Compulsory Readings:
- Dorrucci, E. et al “Europe’s challenging economic integration: Insights from a new index”, in VOX, April 2015
- Michael J. Baun, "The Maastricht Treaty as high politics: Germany, France and European Integration" in Political Science Quarterly, Vol. 110, No. 4, 1995-96, pp. 605-624. (SNU CUL and SNU SSL on line access)

Presentation Topic 15: Maastricht Treaty: German French tension. See Baun

Presentation topic 16: How much do poorer countries benefit from membership in the European Union? see Campos et al

Presentation topic 17: Homework to be done, see Dorrucci et al

10. Convergence or divergence within the EU?

Compulsory Readings:

Presentation topic 18: How much do rich countries benefit from membership in the European Unión? see Campos, N., Coricelli, F. Moretti, L. The eye, the needle and the camel: Rich countries can benefit from EU membership. April 2016, VOX http://voxeu.org/article/how-rich-nations-benefit-eu-membership

Presentation Topic 19: Asymmetries in the EU. From Boltho & Carlin

11. Evolution of GDP structure, productivity and economic growth in the EU.

Compulsory Readings:


Presentation topic 20: European productivity: homework to be done? Daly & Munday
Presentation topic 21: Basis for Economic growth in Europe. Gill & Raiser

12. The Irish model of economic growth 80s & 90s. Compulsory Readings:
- “Ireland’s crash, After the race” in The Economist Feb 17th 2011

Presentation topic 22: Irish model of economic growth late XX century, why did it fail in XXI?

13. To understand the implications of European Monetary Union: An overview of exchange rate regimes
Compulsory Readings:
- “Fix or Float?,” in The Economist (28 January 1999).
- other readings to be determined

Presentation topic 23: Advantages and drawbacks derived from a Flexible exchange rate system

14. Fixed-exchange-rates and quasi-fixed exchange rates regimes. The cases of EMS and EMU
Compulsory Readings:
- “A much devalued idea”. The Economist, March 1995

Presentation topic 24: Why can a devaluation translate into inflation? Why not?

15. Economic and Monetary Union I Steps towards the common currency. The Maastricht Criteria: what for?
Compulsory Readings:
- De Grauwe, P. “The politics of the Maastricht convergence criteria”. Vox Research-based policy analysis and commentary from leading economists. 15 April 2009
- Cukierman, A. “The Revolution in Monetary Policymaking Institutions”. Vox Research-based policy analysis and commentary from leading economists 27 September 2007

Presentation Topic 25: Why are Central Banks independent from governments? Cukierman, A.

Presentation Topic 26: Nominal convergence prior to EMU, what for? De Grauwe, P.
16. Economic and Monetary Union II. Advantages and disadvantages of the euro. The optimal currency area debate.

**Compulsory Readings:**

*Presentation Topic 27: Is the EMU an Optimal currency area?*

*Presentation Topic 28: Asymmetries in the EU. From Boltho & Carlin*

17. Housing boom and bust in Spain: causes and effects over economy. effects to the financial sector and to the citizens. Guest lecturer José María Raya,

**Compulsory Reading:**

18. EMU crisis I

**Compulsory Readings:**
- De Grauwe, P. “Panic-driven austerity in the Eurozone and its implications”, Vox Feb 2013

- The Economist, *Why giving politicians influence over monetary policy is a bad idea*, Mar 10th 2016

*Presentation topic 29: Why did panic worsen the effects of economic policies on growth? See De Grauwe*

19. EMU after the crisis

**Compulsory Readings:**

- The Economist. *"Manufacturing jobs delusion"* Jan 2017

Other readings to be determined

20. Final exam & Essay presentations

Maria Gundín/ Natalia Pascual  Last revised February 2018